

810-5-17-.01 ~~Scrapping, Dismantling or Destroying Vehicle - Including Total Loss and/or Salvage.~~ Application for Salvage Certificate of Title (Form MVT 41-1).

(1) When a motor vehicle titled and domiciled in Alabama is ~~scrapped, dismantled, destroyed,~~ salvaged or considered a total loss as defined in Section 32-8-87, Code of Alabama 1975, as amended, it will be the responsibility of the owner or any person acquiring ownership (individual, company, or insurance company) to complete form MVT 41-1 (~~Report of Total Loss Settlement, Scrapped, Dismantled or Destroyed Vehicle and~~ Application for Salvage Certificate of Title), and mail or deliver it to the Department of Revenue as soon as practicable for processing. Form MVT 41-1 shall be ~~filled out~~ completed on either a typewriter or printer, using **BLACK INK**, and shall contain the following information:

(a) ~~The Individual~~ individual completing form MVT 41-1 must verify the Vehicle Identification Number (~~V.I.N.-~~) (VIN) and other vehicle information using information obtained from the outstanding certificate of title and the vehicle being reported as salvage. If a discrepancy in the ~~V.I.N.~~ VIN is found, the ~~current titled~~ owner in whose name the title is currently issued must obtain a corrected certificate of title prior to the submission of the MVT 41-1.

(b) ~~The Owner~~ owner information area must be completed using the name of individual or company that is obtaining the salvage certificate of title. Individuals ~~should~~ must be listed by their last name first, followed by their first name and then middle initial. Any suffixes such as Jr., Sr., or the III must be listed after the name. The owner's resident address must be listed if the address is different from the mailing address. A Post Office Box is not considered a resident address and is not permitted.

(c) ~~The Lienholder~~ lienholder information should be completed only when there is an outstanding lien on the vehicle. If a lien recorded on the outstanding certificate of title has been satisfied, a lien release must be provided, unless released on the certificate of title in the space provided.

(d) ~~The~~ owner's authorization for special mailing section may be completed only when there are no outstanding liens on the vehicle. If a lien is recorded, then the certificate of title will be mailed to the recorded lienholder regardless of whether the special mailing authorization is completed.

(e) When the owner (individual or company) making application for a salvage certificate of title is either uninsured or self-insured, SECTION A of the MVT 41-1 must be completed and signed by the applicant. The Applicant applicant must disclose whether the vehicle ~~was Wrecked, Scrapped, Recovered Theft, Dismantled, Destroyed, Or is~~ "Junk" or to be "Sold For Parts Only" by checking the corresponding block on the MVT 41-1. A Vehicles vehicle which are is disclosed as ~~Destroyed~~ "Junk" or to be "Sold For Parts Only" cannot be rebuilt and no subsequent certificate of title will be issued for the vehicle after the salvage certificate of title is issued with a "Parts Only - Non- Rebuildable" legend. The owner shall also disclose the city and state where the total loss occurred and whether the vehicle was declared a total loss due, in part, to water damage.

(f) When an insurance company has declared the vehicle to be a total loss, and paid compensation to the owner, SECTION B of the MVT 41-1 must be completed and signed by an authorized representative of the insurance company. The authorized representative must disclose whether the vehicle is "Junk" or to be "Sold For Parts

Only”by checking the corresponding block on the MVT 41-1. A vehicle which is disclosed as “Junk” or to be “Sold For Parts Only” cannot be rebuilt and no subsequent certificate of title will be issued for the vehicle after the salvage certificate of title is issued with a “Parts Only – Non- Rebuildable” legend. The owner shall also disclose the city and state where the total loss occurred and whether the vehicle was declared a total loss due, in part, to water damage. The

authorized representative must also disclose whether the insurance company is making application for a salvage certificate of title, or the owner is retaining the salvage on the vehicle, by marking the appropriate block in SECTION B and completing the OWNER INFORMATION ~~accordingly~~ area on the MVT 41-1.

(2) The ~~Supporting supporting~~ Documents documents which must accompany the MVT 41-1 are as follows:

(a) Outstanding certificate of title, properly assigned if necessary.

(b) Fee (~~see Schedule of Fees and Commissions~~) as required in Section 32-8-6 (a) (1), Code of Alabama.

(3) Upon receipt of a properly completed MVT 41-1 and the supporting documents as specified in Section 2, the Department will issue a salvage certificate of title. The salvage certificate of title will reflect the legend “Parts Only – Non-Rebuildable” if such disclosure was made on the MVT 41-1. The salvage certificate of title will reflect the legend “Flood Vehicle” if such disclosure was made on the MVT 41-1 and the total loss occurred on or after March 9, 2006.

(4) Once the legend “Flood Vehicle” is issued on a salvage certificate of title or any other certificate of title the legend will be reflected on all subsequent certificates of title regardless of whether the vehicle is subsequently rebuilt in this or any other state.

(5) The MVT 41-1 must have a revision date of 03/2006 or later if the total loss occurred on or after March 9, 2006. Previous revisions of form MVT 41-1 may only be used if the total loss occurred prior to March 9, 2006.

NOTE: Scrap Metal Processors Acquiring A Total Loss Vehicle For The Purpose of Recycling Into Metallic Scrap for Remelting Purposes ~~Do Not Have~~ Are Not Required To Obtain A Salvage Certificate Of Title Prior To Destroying A Damaged Vehicle.

Author: Mike Gamble, Winston Hyte
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